

## Message Text

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PAGE 01 OTTAWA 00115 140003Z

ACTION EUR-12

INFO OCT-01 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01  
COME-00 DODE-00 EB-07 FPC-01 H-01 INR-07 INT-05 L-03  
NSAE-00 NSC-05 OMB-01 PM-04 USIA-06 OES-06 SP-02  
SS-15 STR-04 TRSE-00 ACDA-07 FEA-01 /100 W  
-----140011Z 035546 /70

P R 132339Z JAN 77

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 2115

INFO AMCONSUL MONTREAL

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POUCHED ALL OTHER AMCONSULS CANADA

E.O. 11652: N/A

TAGS: ENRG, ETRD, CA

SUBJ: CANADIAN CRUDE OIL EXPORT CHARGES FOR FEBRUARY

1. SUMMARY. GOC HAS DECIDED TO INCREASE CRUDE OIL  
EXPORT CHARGES 50 CENTS PER BARRELL FOLLOWING OPEC PRICE  
HIKE. THIS REPRESENTS 3.4 PERCENT PRICE INCREASE TO  
U.S. IMPORTERS. END SUMMARY.

2. NATION ENERGY BOARD (NEB) INFORMED EMBASSY JAN 12  
THAT THE FOLLOWING TARRIFF OF CHARGES FOR APPLICATION  
TO EXPORTS OF CRUDE OIL AND EQUIVALENT HYDROCARBONS WILL  
BE EFFECTIVE 1 FEBRUARY 1977:

(1) FOR LIGHT AND MEDIUM CRUDE OILS AND CONDENSATES  
\$4.40 PER BARREL;

(2) FOR OTHER DESIGNATED HEAVY CRUDE OIL \$4.00 PER  
BARREL; AND

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PAGE 02 OTTAWA 00115 140003Z

(3) FOR LLOYDMINSTER TYPE BLENDS \$3.55 PER BARREL.

3. AS RESULT OF INCREASE IN DOMESTIC WELLHEAD PRICE  
(70 CENTS PER BARREL) ON JANUARY 1, EXPORT PURCHASERS  
ARE ELIGIBLE FOR A 70-CENTS-PER-BARREL REBATE FOR ALL  
OIL ENTERING AN EXPORT PIPELINE SYSTEM DURING PERIOD  
JANUARY 1, TO JANUARY 31. WITH THIS REBATE, JANUARY

EXPORT CHARGES ARE NOW AS FOLLOWS:

(1) FOR LIGHT AND MEDIUM CRUDE OILS AND CONDENSATES,  
\$3.90 PER BARREL;

(2) FOR OTHER DESIGNATED HEAVY CRUDE OILS, \$3.50 PER  
BARREL; AND

(3) FOR LLOYDMINSTER TYPE BLENDS \$3.05 PER BARREL.

NEW FEBRUARY SCHEDULE OF CHARGES THUS REPRESENTS AN  
OVERALL 50-CENTS-PER-BARREL INCREASE OVER JANUARY  
SCHEDULE.

4. COMMENT: FIFTY-CENT EXPORT CHARGE INCREASE REFLECTS  
GOC'S DECISION ON ADJUSTMENT OF ITS OIL EXPORT CHARGES  
IN WAKE OF RECENT OPEC PRICE INCREASE AND WILL RESULT  
IN A 3.4 PERCENT PRICE INCREASE TO U.S. IMPORTERS  
(CALCULATION BASED ON EDMONTON PRICE PLUS EXPORT CHARGE  
AND NOT DOES NOT INCLUDE PIPELINE TARIFF TO U.S.  
DESTINATION.) INCREASE IS LOWER THAN AMOUNT EMBASSY  
EXPECTED ON BASIS CONVERSATIONS WITH GOC OFFICIALS WHICH  
WAS BETWEEN 5 AND 10 PERCENT. ACCORDING TO NEB OFFICIAL,  
NEW LEVEL OF EXPORT CHARGES REPRESENTS A COMPROMISE  
POSITION WHICH ACCOMMODATES UPWARD PRESSURE ON  
WORLD OIL PRICES AND RECENT DOWNWARD TURNED IN VALUE  
OF CANADIAN DOLLAR. SINCE STANDARD NEB FORMULA RELATES  
EXPORT CHARGE TO CHICAGO MARKET PRICE WHICH MAY NOT YET  
REFLECT FULL IMPACT OF OPEC PRICE DECISIONS, EMBASSY WOULD  
NOT RULE OUT POSSIBILITY OF FURTHER INCREASE IN EXPORT  
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PAGE 03 OTTAWA 00115 140003Z

CHARGE IN MARCH.  
ENDERS

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, EXPORTS, PRICES  
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**Decapton Date:** 01-Jan-1960 12:00:00 am  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977OTTAWA00115  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770013-1237  
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**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
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**Status:** NATIVE  
**Subject:** CANADIAN CRUDE OIL EXPORT CHARGES FOR FEBRUARY  
**TAGS:** ENRG, ETRD, CA  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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